

A Fair Chance:

Why California Should Invest in Economic Opportunity for Women and Their Families

the WOMEN'S
FOUNDATION
of CALIFORNIA



CALIFORNIA BUDGET PROJECT



PHOTO: NADER KHOURI

Executive Summary

Four years after the official end of the Great Recession, women still feel its impact—especially low-income women and their families. Women have not shared equally in the emerging recovery, while at the same time, the lingering effect of recent years' budget cuts continues to thwart the ability of women to achieve economic security.

Over the past five years there has been:

- A significant decline—from five years to just two years—in the amount of time a parent can receive CalWORKs cash assistance and continue to participate in the full array of welfare-to-work activities.
- Reductions to the CalWORKs grant, which mean that families now lose cash assistance well before their incomes reach the federal poverty line.
- A decrease by one-third in funding for the childcare budget. This \$900 million decrease in annual funding has resulted in a loss of 110,000 childcare slots.
- A steep decline in women's enrollment in California's community colleges, which provide education that leads to employment or a four-year degree.

The result is that more families have sunk deeper into poverty. California's women and families deserve a fair chance. It's not just women and families who pay the price for these disinvestments. We all do. An innovative and prosperous California is only possible if we make investments that help support women's economic advancement, nurture healthy, well-educated children, and rebuild vital public services and systems.

OVER >

This data is from the report *A Fair Chance: Why California Should Invest in Economic Opportunity for Women and Their Families*, released March 2013.

To read the full report, go to www.womensfoundca.org.

Report Highlights

California's women are not sharing equally in California's economic recovery.

- Employment for California's women has dropped slightly during the last two years, even as it has increased among men.
- Local government employment, which includes public schools, has steadily declined over the past four years. This has a big effect on women, who make up more than seven out of 10 employees in public schools.

The median annual earnings among California's women have dropped by more than \$2,000 since 2006.

- Median earnings for women dropped from \$32,973 in 2006 to \$30,938 in 2011, the most recent year for which data are available.

Cuts to state support for childcare and preschool make it harder for women to find and keep jobs.

- Low-income women who have access to childcare assistance have a greater chance of securing employment, increasing earning potential and becoming financially independent. However, it's very difficult for single mothers to afford the full cost of high quality childcare, one of the most expensive items in a household budget. In 2011, full-time care for an infant in a childcare center in Los Angeles County was \$11,499 per year—almost \$1,000/month.
- State policymakers have cut annual funding for subsidized childcare and preschool programs by more than \$900 million since 2007–08, resulting in the elimination of more than 110,000 childcare and preschool slots.
- State policymakers have reduced the income eligibility limit for childcare since 2007–08 by more than \$200/month—from \$3,769 to \$3,518, thereby making it harder for working mothers to access childcare services.
- The state also significantly cut payments to license-exempt childcare providers, typically friends or relatives who provide care during nontraditional hours. Many low-income women have irregular work schedules and/or work nights and weekends.

Budget cuts have weakened the public services and supports that help families make ends meet.

- Due to the lowering of the CalWORKs income eligibility limit—from around \$19,812 to \$17,784—families now lose access to cash assistance well before their incomes reach the poverty line.
- In 2012, the maximum monthly grant for a family of three did not even cover half the average California fair market rent for a two-bedroom unit. The CalWORKs monthly grant is smaller than Federal TANF (Temporary Assistance to Needy Families) grants in 27 states as a share of housing costs.
- The purchasing power of the CalWORKs grant has dropped to just half of what it was worth in 1989–90. The Legislature permanently eliminated the statutory cost-of-living adjustment for CalWORKs grants in July 2010.
- In recent years, cuts to In-Home Supportive Services, cash assistance for low-income seniors and people with disabilities, and Medi-Cal have disproportionately affected women.

Recent cuts to higher education threaten economic opportunity for women.

- Community college enrollment has dropped steeply—by over 300,000 students—since 2007–08, with women accounting for nearly two-thirds of this decline.
- Although the Governor's 2013–14 budget proposal calls for increased General Fund support for both the University of California (UC) and the California State University (CSU) systems, funding would remain below 2007–08 level.
- UC and CSU fees have more than tripled since 1991–92, after adjusting for inflation.
- Since 2007, women's CSU enrollment has declined, while men's enrollment has increased. During this same period, the increase in UC enrollment among women has significantly lagged that of men.

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The Women's Foundation of California focuses on empowering women to achieve economic security.

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